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ON A COMMERICAL EXPORT MARKET FOR AMERICAN DAIRY PRODUCTS

The purpose of this paper is to recommend - and justify - a commercial export market for American dairy products.

For over thirty years the U. S. has, with minor exceptions, virtually avoided any kind of program with the objectives of gradually opening up, maintaining, and developing commercial foreign markets for its dairy produts. This is in contrast to over twenty-five years of foreign market development for other U. S. agricultural commodities.

The annual value of all agriculutural exports since the mid-1950's has gone from $3½ billion to well over $40 billion today. The U. S. dairy industry has not participated in this growth. Hence, the dependence of the dairy industry on government-provided financial supports has continued and the industry has had no new major mitigating export program aimed at expanded commercial development, the locus of which would necessarily need to take place in markets outside the U. S.

OPPOSITION TO EXPORTS

The opposition to U. S. commercial dairy products exports has had as its source a number of areas of concern, including the following:

1. International relations between the U. S. and major dairy producing and exporting nations.
2. International agricultural trade negotiations.
3. U. S. government policy with respect to so-called "export subsidies".
4. Large U. S. dairy firms - multinationals - with major overseas investments in foreign dairy businesses.
5. To some extent U. S. dairy producers themselves.

Other major considerations which have provided negatives to the development of foreign commercial market for U. S. dairy products are:

1. Costs to the government
2. How to establish and control pricing and policies related thereto.

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